

109th CONGRESS  
1st Session  
**S. 758**

To amend the Internal Revenue Code of 1986 to ensure that the federal excise tax on communication services does not apply to internet access service.

**IN THE SENATE OF THE UNITED STATES**

**April 11, 2005**

Mr. ALLEN (for himself and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Finance

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**A BILL**

To amend the Internal Revenue Code of 1986 to ensure that the federal excise tax on communication services does not apply to internet access service.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the `Federal Internet Tax Prohibition Act of 2005'.

**SEC. 2. PROHIBITION ON EXTENSION OF FEDERAL EXCISE TAX.**

Section 4251 of the Internal Revenue Code of 1986 (relating to the imposition of federal excise tax on communication services) is amended by adding at the end the following new subsection:

`(e) Exception for Internet Access Services-

`(1) IN GENERAL- The tax imposed under subsection (a) shall not apply to any internet access service.

`(2) DEFINITION- For purposes of this subsection, the term `internet access service' has the same meaning given the term in section 1104(5) of the Internet Tax Freedom Act (47 U.S.C. 151 note).'

*END*